

### More Education Improves National and State Economy

- Three fourths of countries with the greatest increases in the percentage of young people with college degrees also showed higher incomes and lower unemployment.<sup>1</sup>
- Education levels are linked to salaries, tax revenue, and productivity. One study found that cutting state K-12 spending by \$1 per \$1,000 could reduce income by 3.2 percent.<sup>2</sup>
- Increasing spending on education balances economic inequalities and reduces poverty.<sup>3</sup>

### Education Increases Civic Participation

- At every age, those with more education are more likely to vote.<sup>4</sup>
- Those with more education are more likely to volunteer.<sup>5</sup>

### More Learning Results in More Earnings

- Compared to a high school dropout, a high school graduate is more than three times as likely to earn an income of at least \$75,000 a year, and three times as likely to earn at least six figures.<sup>6</sup>
- A high school graduate will earn an average of 1.3 times the annual full-time salary of a high school dropout, a person with some college will earn 1.65 times, and a four-year degree 2.2 times as much as the dropout.<sup>7</sup>
- On average high school graduates earned 58 percent more income in 2004, over \$9,500, than high school dropouts.<sup>8</sup>

### Education Moves Citizens from Welfare Recipients to Productive Citizens

- The unemployment rate of high school dropouts (over 25 in 2004) was 1.7 times that of high school graduates and over three times (3.1) that of a college graduate.<sup>9</sup>
- Families headed by dropouts are twice as likely to be below the poverty line as those headed by high school graduates.<sup>10</sup>
- Dropouts cost society up to \$8,000 more in average welfare and aid than high school graduates (for African-American males, for white females, the difference is \$1,615).<sup>11</sup>

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## Education Lowers Crime Costs

- Nearly two-thirds (64.7 percent) of those in prison and jails did not graduate high school (although some did earn GEDs).<sup>12</sup>
- Dropouts who turn to crime and drugs cost the nation between \$1.7 million and 2.3 million over their lifetimes.<sup>13</sup>

## Education Lowers Health Care Costs

- People with more education are more likely to be in good health than people of similar age but less education.<sup>14</sup>
- Among Americans over 65, just 26 percent of dropouts, but 40 percent of high school graduates and 55 percent of college graduates report excellent or very good health.<sup>15</sup>
- The United States would save \$41.8 billion in medical costs if the 600,000 young people who dropped out in 2004 were to complete one additional year of education.<sup>16</sup>

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<sup>1</sup> [http://www.oecd.org/document/31/0,2340,en\\_2649\\_201185\\_33710751\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/31/0,2340,en_2649_201185_33710751_1_1_1_1,00.html)

<sup>2</sup> <http://www.nea.org/edstats/images/economy.pdf>

<sup>3</sup> <http://www.nea.org/edstats/images/expenditures.pdf>

<sup>4</sup> Baum and Pavea (2004) Education Pays. Citing U.S. Census Bureau, 2002b, Table 5.

<sup>5</sup> Baum and Pavea (2004) Education Pays. Citing Bureau of Labor Statistics, 2003.

<sup>6</sup> Census 2005 figures [http://pubdb3.census.gov/macro/032005/perinc/new03\\_001.htm](http://pubdb3.census.gov/macro/032005/perinc/new03_001.htm)

<sup>7</sup> Census 2005 figures [http://pubdb3.census.gov/macro/032005/perinc/new03\\_010.htm](http://pubdb3.census.gov/macro/032005/perinc/new03_010.htm)

<sup>8</sup> U.S. Census, Current Population Survey 2005. <http://www.census.gov/population/socdemo/education/cps2005/tab08-1.xls>

<sup>9</sup> Digest of Education Statistics 2005. [http://nces.ed.gov/programs/digest/d05/tables/dt05\\_370.asp](http://nces.ed.gov/programs/digest/d05/tables/dt05_370.asp)

<sup>10</sup> Education Pays

<sup>11</sup> Baum and Pavea (2004) Education Pays. citing Vernez, Krop and Rydell (1999) Closing the Education Gap: Benefits and Costs. Santa Monica, California: RAND

<sup>12</sup> <http://www.ojp.usdoj.gov/bjs/pub/pdf/ecp.pdf>

<sup>13</sup> [www.ncjrs.org/html/ojdp/nationalreport99/toc.htm](http://www.ncjrs.org/html/ojdp/nationalreport99/toc.htm)

<sup>14</sup> Baum and Pavea (2004) Education Pays. Citing NCES, 2004, Indicator 12 (based on National Health Interview Survey, National Center for Health Statistics, 2001).

<sup>15</sup> Baum and Pavea (2004) Education Pays. Citing NCES, 2004, Indicator 12 (based on National Health Interview Survey, National Center for Health Statistics, 2001).

<sup>16</sup> Citing Muenning, Peter (October 2005) "Health Returns to Education Interventions" Symposium on The Social Costs of Inadequate Education. Teachers College, Columbia University October 24-25, 2005